

INFORMATION LETTER

NATIONAL CANNERS ASSOCIATION

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Farm Income and Prices

In reporting that prices received by farmers are higher than a year ago, and at the highest level in almost five years, USDA asserts that the most substantial improvement in prices has been recorded for commodities which are free of government price support programs.

Following is the text of the USDA statement as issued April 14:

"(1) With prices received by farmers running substantially higher than a year ago, realized net income of farm operators in the first quarter of this year may be fairly close to a rate of \$13 billion compared with a rate of \$11.7 billion in the same quarter of 1957. Some of this increase is due to delayed marketings, such as cotton, but most of it reflects the real improvement in prices. For the remainder of 1958, a gain in farm income over last year is also indicated, although as supplies of some commodities increase, particularly for vegetables, the levels of prices may not be maintained as high as they are now. Further, farmers will receive more income for participation in the Soil Bank this year than last.

"(2) In recent months, we have had substantial improvement in the agricultural price and income picture. The latest price report of the Department, released toward the end of last month, shows that prices received by farmers averaged 4 percent higher in mid-March than in mid-February and 11 percent higher than in March of 1957. Farm prices are now at the highest level in almost five years. Farm prices in March were 9 percent above the level of June 1955 when high rigid price supports were last generally in effect. Based on the movement of prices of farm commodities in the central markets, this higher level of farm prices has been maintained in early April. Even with prices paid by farmers at a record high in March, the parity ratio rose to 87 compared with 81 a year earlier.

"(3) Generally, we find the most substantial improvement in prices for those commodities which are free of government price support programs. The price to farmers for beef cattle in mid-March was up 36 percent over a year earlier; hogs 21 percent; eggs 33 percent; commercial vegetables over 50 percent, and prices of potatoes more than double. For vegetables and potatoes, of course, the bad

Annual Report of the FDA Reviews Agency Expansion, Renews Recommendation on Food Additives Legislation

Following are selected portions of the Annual Report of the Food and Drug Administration for 1957, which was recently presented to Congress as a chapter in the Annual Report of the Department of Health, Education, and Welfare:

"The fiscal year of 1957 was a fruitful one for the Food and Drug Administration. In the first year of the expansion program recommended by the Citizens Advisory Committee at the end of fiscal year 1955, there was an increase of 15 percent in appropriations over those of the previous year. This increase permitted a return to the size of the enforcement staff of 1951, the previous high. The inspection staff in 1956 numbered 250; in 1957 it was increased to 300. Despite the nationwide shortage of professional young people of the caliber FDA needs to train for its work, the budgeted positions for 1957 were filled with promising personnel.

"The Department requested and Congress approved for the 1958 fiscal year an increase of 19 percent over the 1957 appropriation for expansion of current activities, in addition to certain specialized expenses not in previous budgets, including replacement and modernization of equipment and a new field district headquarters.

freezes earlier this year were a major factor.

"(4) Agriculture has been a source of strength in the current recession. The decline in employment has not significantly affected the demand for food. Sales at retail food stores in the first quarter were some 8 or 9 percent above a year earlier. Apparently, small increases or decreases in the total level of consumer income do not affect the demand for food significantly. An additional factor this year, perhaps, is that a considerable number of people are paying off their debt on automobiles which may allow for some increased flexibility for the food budget. The main impact of the recession, on agriculture, has been to restrict very substantially the job opportunities available to our farm people. As you know, about one-third of the income received by farm people is obtained from nonfarm jobs and other nonfarm sources."

"The 1958 increase was requested to permit added attention to new drugs, and to more basic scientific research, including pharmacological studies on pesticides and chemical additives, nutritional studies on processed foods, bacteriological studies on precooked and frozen foods, reappraisal of some official testing methods for drugs, and studies of new cosmetic ingredients. It also included more attention to food standards, and an increase in the number of establishments to be inspected and samples to be collected for examination.

"The Citizens Advisory Committee recommendations concerning management and operations have received careful study and been acted upon in many ways. An internal reorganization led to the establishment of five Bureaus, with the Office of the Commissioner maintaining direct supervision over administrative management, relations with states, trade, industry, and consumer groups, and matters relating to new laws and regulations. The scientific divisions were grouped into the Bureau of Physical and Biological Sciences. The other Bureaus are Enforcement, Field Administration, Medicine, and Program Planning and Appraisal.

"A carefully planned survey was begun in 1957 in an attempt to measure, by statistically sound methods, the potential workload of the Food and Drug Administration. This will be of value in calculating manpower requirements and other aspects of budgetary planning and in directing enforcement activities. . . .

CHANGES IN THE LAW AND REGULATIONS

"Nine bills were before the House, presenting six new procedures for dealing with chemical food additives. . . .

"Each of the bills would provide that the promoter of a new food additive, before commercial marketing, test it to establish the safety of the proposed use and submit the results of the tests to the government. Most of the proposals would exempt uses already approved by the Food and Drug Administration or, in the case of meats, by the Meat Inspection Branch of the Department of Agriculture. Each bill would exempt from its coverage chemical uses generally

recognized as safe by appropriate experts. Principal areas of disagreement are whether the criteria of acceptance be based entirely on safety or be enlarged to include usefulness to the consumer, functional value, or necessity of use, in case of poisonous or deleterious chemicals, and what type of appeal procedures should be provided. . . .

"SCIENTIFIC INVESTIGATIONS"

"Another major survey, initiated in fiscal year 1957 and still under study, concerned the contamination of our foodstuffs resulting from the increasing applications of atomic energy, both civilian and military. While the resultant rise in radioactive background probably will not be significant by present concepts, a base line was needed for later orientation. To establish this, approximately 2,000 samples of staple canned food preserved prior to the explosion of the first atom bomb were collected during the year, with the help of other government agencies, industry, and consumers. The British and New Zealand governments and the U. S. Antarctic Programs furnished samples left in the Antarctic in 1908-1913 and 1940. All of the samples are being ashed, analyzed for their potassium content for correction of normal residual radioactivity, then analyzed for basic radioactivity. A continuing survey will produce samples that may be checked against this authentic, pre-1945 data to check any increase in radioactive content."

Blacklight Insect Traps

Blacklight fluorescent lamps designed to attract numerous important economic insects have proven their effectiveness in tests in many parts of the country, and further work is being done by USDA and co-operating state agricultural experiment station researchers to improve them.

Blacklight survey traps are widely used by federal-state entomologists to detect the presence of crop pests in order to determine the most effective time for starting control measures. Several canning companies in Wisconsin used the traps in 1957 for detecting specific insects, the USDA reports.

John S. Taylor, a USDA engineer stationed at Lafayette, Ind., described studies on the blacklight lamps at a meeting of entomologists March 26. The perfect trap, he explained, would lure and kill all insects that came within a given distance without making them difficult or impossible to identify.

Information on Canned Foods Supplied in Co-ed Feature

An informative article about canned foods, presented in question and answer form, is featured in the April issue of *Co-ed* magazine, a teen-age publication circulated to 295,000 readers. Most of them are home economics students in junior and senior high schools throughout the nation.

As part of the N.C.A. Consumer and Trade Relations Program, reprints of the article were mailed this week to Association members, state secretaries, the trade press, and others on the C&T.R. mailing list.

In an accompanying letter, Executive Secretary Carlos Campbell points out that the teen-age market for food, at approximately 17 million, is expected to increase right into the 1960's. Besides the cooking teenagers do themselves they are an important influence on family meals prepared by their mothers. "It is important to educate our youth as to the advantages and proper use of canned foods. The article, 'Can You Tell?', by raising and answering 19 questions on canned foods, forwards this objective."

Co-ed is ordered through the home economics teacher and is delivered direct to the classroom where it is used as a supplementary text. The teacher receives her copy of *Co-ed* bound into *Practical Home Economics Edition of Co-ed*. Thirty-five thousand teachers receive this combination book monthly. The April issue of *Practical Home Economics* contains two excellent articles about canned foods as reported in the INFORMATION LETTER of April 12, thereby furnishing the teachers with supplementary material for lesson planning on canned foods.

Mr. Campbell's letter urges canner members to market the article to their brokers and buyers to insure future as well as present markets.

Good Housekeeping

"Keep Trim With Tuna" is an article in the April issue of *Good Housekeeping* magazine featuring canned dietetic pack tuna. The article is under the heading of "Calorie Watchers' Meal of the Month."

Four low-calorie recipes are given using canned dietetic pack tuna. They are Tuna Souffle, Tuna Asparagus Bake, Tuna Chow Mein and Tuna Vegetable Casserole. Suggestions for

other low-calorie foods to be served with each main dish are also given.

In addition to the dietetic pack tuna, the recipes include canned bean sprouts, chow mein noodles, applesauce, and peas.

Woman's Day

The April issue of *Woman's Day* magazine includes a wide variety of canned foods in an article entitled "30 Money-saving Menus: April." The article is a collection of menus—one for each day of the month.

A sub-head tells the reader that "each menu gives you a wide variety of nourishment and flavor and a welcome stretch to your food dollar." Canned foods are represented on the menus on almost every day. Twenty-two different fruits, vegetables and entrees are used.

Also included on this page is a list of "good buys." Canned foods listed are canned whole kernel and cream style corn, sauerkraut, peas, baked beans, domestic sardines, tuna, soups, peaches, pears, pineapple, and plums.

Tin Used in Tin Plate

Tin consumed in the United States in the manufacture of tin plate decreased 8 percent in 1957. However, total production of tin plate rose to a new peak in 1957, slightly above the previous record year 1956, according to a report by the Bureau of Mines, U. S. Department of the Interior.

The consumption of tin in the production of electrolytic plate increased 9 percent, but the quantity of tin used in hot-dipped plate dropped 36 percent. The total use of tin by the tin plate manufacturing industry declined, therefore, from 34,761 long tons in 1956 to 32,046 tons in 1957.

Hot-dipped tin plate production was the smallest since 1909, according to the report.

Nearly 90 percent of the tin plate used is for making cans, of which about 60 percent is for the food pack and 40 percent for nonfood products. The total tin plate shipped for all purposes was 4 percent smaller, with the tonnage to can makers down 2 percent from 1956, according to the report.

The total tonnage of cans shipped decreased 4 percent; cans for food products decreased 6 percent. For products packed in 1957, cans for fruits and vegetables declined the most (see INFORMATION LETTER of Feb. 15, page 94).

Charles W. (Walt) York

Charles W. (Walt) York, editor of *The Canner and Freezer* magazine and previously the secretary of the Pennsylvania Canners Association, died at his home in suburban Chicago April 12.

Mr. York was a native Pennsylvanian and a graduate of Penn State. He had taught vocational agriculture and for four years was assistant cashier in charge of the farm department of the First National Bank of Meadville, Pa. He also was secretary and educational director of the Pennsylvania Cooperative Potato Growers.

Mr. York was appointed executive secretary of the Pennsylvania Canners Association in 1951 and resigned in April of 1954 to become editor of *The Canner*. Under his editorship, the magazine was revised in format and name, and its scope was broadened to cover more varied interests in the food processing industries.

All Industries Ranked on Value Added by Manufacture

In a ranking of industry groups according to the value added by manufacture, the canned and frozen foods industry was 29th among all industry groups in 1956.

The ranking was made by the Bureau of the Census on the basis of its surveys. The value added by manufacture represents the value of products shipped, excluding resales, less the cost of materials, supplies, fuel, electric energy, and contract work.

The value added by manufacture by the canned and frozen foods industry in 1956 was \$1,537 million, about 1.1 percent of the total value of \$139.8 billion added by all manufacturing. However, the canned and frozen foods industry had contributed about 1.23 percent of the total value added by all manufacturing in 1947 when it ranked 27th among all industry groups.

The canned and frozen foods industry, in this summary, includes all canning except meat and milk.

The Census report shows value added by manufacture for 142 industry groups for 1956, 1955 and 1954. The top five industry groups in 1956 and 1955 were motor vehicles and equipment, blast furnaces and steel mills, aircraft and parts, organic chemicals, and communication equipment.

Average Size of Household Changes Little since 1950

United States households averaged 3.34 persons in size in 1957, compared with 3.37 in 1950 and 3.67 in 1940, according to a report by the Bureau of the Census.

Although there has been little change in the total size of households since 1950, the average number of children under 18 years old has risen from 106 per hundred households in 1950 to 118 in 1957, while the average number of adults has declined from 231 to 216 per hundred households.

Among families, the trend to more children is more evident than among households, which may include unrelated persons. The average number of children under 18 years old per hundred families increased from 117 in 1950 to 134 in 1957. In contrast, the average number of adults per hundred families declined from 237 to 227 during the same period.

The rise in average number of children per family is attributed to the high birth rate since the end of World War II. The decline in adult members per family is reported due to several factors, including the sharp decline since 1947 in the number of married couples sharing living quarters with others; the increase in the armed forces, which drew young men away from home; and the high marriage rates and correspondingly rapid rates of family formation during the 1950's which have tended to reduce the number of persons of marriageable age who live in their parental homes, and to increase the number of young couples with small households of their own.

Current Population Reports Series P-20, No. 81, entitled *Marital Status, Economic Status, and Family Status: March 1957*, may be obtained from the Bureau of the Census, Washington 25, D. C., for 25 cents a copy.

1957 Pack of Cranberry Sauce

The pack of canned cranberry sauce during the calendar year 1957 totaled 5,752,320 actual cases compared with the 1956 pack of 6,052,467 cases, according to a report by the N.C.A. Division of Statistics.

Container Size	Units per case	1956	1957
211 x 300 (6-8 oz.)	48	612,473	722,880
211 x 206	28		
300 x 407 (15-16 oz.)	21	5,180,369	4,718,495
No. 3 cyl. (404 x 700)	12	3,190	1,871
No. 10	6	251,723	290,112
Misc. tin and glass	4,712	18,962	
U. S. Total		6,052,467	5,752,320

Stocks and Shipments of Canned Fruits

CANNED APPLES

	1956-57	1957-58
(basis #/10)		
Carryover, Sept. 1.....	697,673	963,301
Pack to April 1.....	3,911,064	3,625,025
Supply.....	4,606,737	4,588,326
Stocks, April 1.....	2,236,908	2,525,215
Shipments during March.....	249,105	286,948
Shipments, Sept. 1-April 1	2,371,789	2,063,111

APPLESAUCE

	1956-57	1957-58
(actual cases)		
Carryover, Sept. 1.....	1,124,446	2,357,876
Pack to April 1.....	15,296,303	13,924,710
Supply.....	16,420,749	16,282,556
Stocks, April 1.....	7,850,244	6,828,551
Shipments during March.....	1,290,967	1,459,797
Shipments, Sept. 1-April 1	8,564,505	9,454,035

CANNED RSP CHERRIES

	1956-57	1957-58
(actual cases)		
Carryover, July 1.....	354,613	206,845
Pack.....	1,748,671	1,864,022
Total supply.....	3,103,284	3,064,867
Stocks, April 1.....	630,232	614,840
Shipments during March.....	201,883	255,547
Shipments, July 1-April 1.....	3,473,052	3,190,027

Pack of Canned Meat

The quantity of meat canned and meat products processed under federal inspection during March has been reported by the Agricultural Marketing Service of USDA at 156,178,000 pounds, including quantities for defense agencies.

CANNED MEAT AND MEAT PRODUCTS PROCESSED UNDER FEDERAL INSPECTION, MARCH, 1958

	3 Lbs. & over	Under 3 Lbs.	Total
(thousands of pounds)			
Luncheon meat.....	10,837	8,026	18,862
Canned ham.....	17,586	424	18,010
Beef hash.....	279	5,980	6,259
Chili con carne.....	864	9,491	10,054
Vienna sausage.....	215	4,185	4,401
Frankfurters and wieners in brine.....	39	132	171
Deviled ham.....		736	736
Other potted and deviled meat products.....		2,258	2,258
Tamales.....	175	2,000	2,235
Sliced, dried beef.....	45	354	399
Chopped beef.....	4	198	202
Meat stew.....	157	10,334	10,492
Spaghetti meat products.....	214	6,130	6,351
Tongue (not pickled)....	56	91	147
Vinegar pickled products.....	527	852	1,380
Sausage.....		724	724
Hamburger.....	420	2,418	2,838
Soups.....	1,680	29,891	31,571
Sausage in oil.....	267	179	466
Tripe.....		382	382
Brains.....		148	148
Loins and picnies.....	2,833	72	2,905
All other products 20% or more meat.....	259	7,197	7,456
All other products less than 20% meat (except soup).....	490	20,084	20,574
Total all products.....	36,370	112,351	148,721

Status of Legislation

Agricultural trade development—S. 3420, to raise Title I authorizations from \$4 to \$7.5 billion and to extend P. L. 480 for two years, to June 30, 1960, was passed by the Senate March 20.

Alaska statehood—H. R. 7999, to provide statehood for Alaska, was reported by House Interior and Insular Affairs Committee June 25, 1957. S. 49, Alaska statehood, and S. 50, Hawaii statehood, were reported by Senate Interior Committee Aug. 29, 1957.

Anti-dumping Act—H. R. 6006, to amend the Anti-dumping Act of 1921 so as to facilitate determinations under the Act, was passed by the House Aug. 29, 1957, and was the subject of hearings by the Senate Finance Committee March 26-27.

CCC equity payments—S. 2426 (Ellender of La.), to authorize CCC to acquire title to unredeemed loan collateral without obligation to make equity payments, is pending before Senate Agriculture Committee, and H. R. 11389 (Bentley of Mich.) is pending before House Agriculture Committee.

Customs drawback—H. R. 9919, to amend the Tariff Act of 1930 to extend the privilege of substitution for the purpose of obtaining drawback upon reexportation of all classes of merchandise, was passed by the House Feb. 27.

Farmworkers housing—H. R. 9057, to provide for five-year amortization of housing facilities for farmworkers, was reported by House Ways and Means Committee Aug. 21, 1957.

FDA food additives—H. R. 6747 (Harris of Ark.) and S. 1895 (Hill of Ala.), the Administration-sponsored bill, H. R. 8390 (Harris of Ark.), H. R. 8629 (Wolverton of N. J.) and other food additives bills were the subject of hearings by the Health and Science Subcommittee of the House Commerce Committee April 15-16. N.C.A. supports H. R. 8390 and H. R. 8629.

Fisheries loan fund—S. 2720, to increase the loan fund authorization from \$10 million to \$13 million, was passed by the Senate Aug. 20, 1957. S. 3295, to increase the authorization from \$10 to \$20 million, was reported by the Senate Commerce Committee March 11.

ICC agricultural exemption—H. R. 5823 (Harris of Ark.), to amend the agricultural exemption in sec. 203 (b) (6), will be the subject of hearings by the House Commerce Subcommittee on Transportation April 23-25.

Marketing orders—H. R. 8367 (Sisk of Calif.) is designed to authorize the Secretary of Agriculture to continue marketing orders in effect even after

parity is reached. No action scheduled.

Marketing orders, cranberries—S. 1680 (10 Senators from 5 cranberry producing states) and other bills to amend the Agricultural Marketing Agreement Act so as to authorize marketing orders for cranberries for canning, were the subject of hearings by a Senate Agriculture Subcommittee April 20, 1957. N.C.A. opposes.

Mexican farm labor—H. R. 10860 (Gathings of Ark.), to extend indefinitely the authority under P. L. 78, 82d Congress, to import Mexican nationals for employment in agriculture, was the subject of hearings by a House Agriculture Subcommittee Feb. 28-March 3, and will be the subject of a further public hearing in June.

Packers and Stockyards Act—S. 1356 (O'Mahoney of Wyo.), to transfer antitrust jurisdiction over meat packing operations from USDA to FTC, was reported by the Senate Judiciary Committee July 18, 1957, and was recommitted to the Senate Agriculture Committee March 25, for a report to the Senate by April 21.

H. R. 9020, to retain USDA antitrust jurisdiction on exclusive meat packing operations, was reported by House Agriculture Committee July 9, 1957, and H. R. 11234, also relating to antitrust jurisdiction, was reported by House Commerce Committee, with amendment, March 17.

Potato marketing and labeling—A number of bills to prohibit the sale of potatoes of a lower grade than U. S. No. 2, under certain conditions, were the subject of hearings by the House Agriculture Committee and by the Senate Agriculture Committee in 1957. N.C.A. opposes application to canning.

Premerger notification—H. R. 7698 (Celler of N. Y.), to require 60 days

notice prior to merger of corporations having total book value of more than \$10 million, was reported by House Judiciary Committee May 28, 1957. S. 198 was the subject of hearings by the Senate Antitrust Monopoly Subcommittee April 1-2.

Raw product bargaining—S. 1743 and S. 2444 (Aiken), to legalize organized bargaining for agricultural commodities under certain conditions, has been referred to Senate Agriculture Committee; and H. R. 6799 (Bow of Ohio) and H. R. 7807 (Bentley of Mich.) have been referred to House Judiciary Committee. No action scheduled.

Robinson-Patman Act—S. 11 (Keafuer of Tenn.) and H. R. 11 (Patman of Tex.), to restrict the good faith defense against a charge of price discrimination, was approved without recommendation, by Senate Antitrust Subcommittee June 21, 1957, and is pending before the Judiciary Committee.

Trade Agreements Act—H.R. 10868 (Mills of Ark.), to amend and extend the Trade Agreements Act, was the subject of hearings begun by the House Ways and Means Committee Feb. 17-March 25.

Wage-Hour—S. 1853 (Kennedy of Mass.), which includes proposal to eliminate overtime fishery exemption, was approved, without recommendation, by Senate Labor Subcommittee May 7, 1957.

Waste disposal—H. R. 1082 (Byrnes of Wis.), H. R. 2463 (Lipscomb of Calif.), and H. R. 4234 (Simpson of Pa.), to allow rapid amortization of waste disposal facilities and treatment works, have been introduced. N.C.A. supports the proposal, which is before House Ways and Means Committee.

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